



CITY OF KINGSTON
INFORMATION REPORT TO COUNCIL

Report No.: 12-163

To: Mayor and Members of Council

From: Denis Leger, Commissioner of Transportation,
Properties and Emergency Services

Resource Staff: Sheila Kidd, Director of Transportation Services
Jeremy DaCosta, Transit Manager

Date of Meeting: May 1, 2012

Subject: Supplemental Information - Third-Party Advertising on
Kingston Transit Benches

EXECUTIVE SUMMARY:

On April 17, 2012, City Council deferred Report 12-124, Award of RFP No. F31-TPES-TS-2012-1 - A License to Sell Third-Party Advertising on Kingston Transit Benches in order to receive additional information with respect to:

- i) the financial proposal from the vendor recommended by staff,
- ii) the City's ability to control the advertising content
- iii) the City's ability to control the location of the advertising benches

The purpose of this report is to provide the information requested, to supplement Report 12-124.

RECOMMENDATION:

This report is for information only.

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AUTHORIZING SIGNATURES:

ORIGINAL SIGNED BY COMMISSIONER Denis Leger, Commissioner, <i>Transportation, Properties & Emergency Services</i>
ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER Gerard Hunt, <i>Chief Administrative Officer</i>

CONSULTATION WITH THE FOLLOWING COMMISSIONERS:

Cynthia Beach, <i>Sustainability & Growth</i>	N/R
Lanie Hurdle, <i>Community Services</i>	N/R
Jim Keech, President and CEO, <i>Utilities Kingston</i>	N/R

(N/R indicates consultation not required)

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OPTIONS/DISCUSSION:Financial Proposal:

Staff issued a Request for Proposals in February 2012 seeking firms interested in providing advertising benches at Kingston Transit bus stop locations. Advertising benches provide the City with a source of advertising revenue and additional amenities for transit passengers, without a capital investment. The City received one (1) submission for the RFP. The proponent Creative Outdoor Advertising (COA) is the current supplier of this service to the City.

Under the existing agreement, COA supplies 101 benches. COA currently supplies two styles of bench; a plastic-style bench with an integrated garbage receptacle with an advertising display, and a plastic-style bench without a garbage receptacle with an advertising display. The City receives \$181.52/year for each bench regardless of style. Under the terms of the existing agreement, the revenue received per bench is adjusted annually based on the Ontario Consumer Price Index. The total revenue received by the City in the final year of the contract was \$18,333.52 (101 benches x \$181.52).

The proposal received by COA is to continue to supply the existing 101 benches, plus an additional 20 benches, all consisting of a blend of advertising and non-advertising amenities without garbage receptacles. The non-advertising amenities will be placed in suburban neighbourhoods. The additional 20 benches will be a black metallic style consistent with the style being installed elsewhere in the City by the Engineering Department. Under the proposal, the City will receive \$190/year for existing benches with an integrated garbage receptacle and \$280/year for new advertising benches without a receptacle. These rates will be adjusted each year by the Ontario Consumer Price Index. The total revenue guaranteed to the City in the first year of the new agreement is \$21,990, based on at least 10 of the new benches being advertising benches (located in non-suburban areas), representing an increase of approximately 20% year-over-year. In addition to the increased revenue transit passengers will be provided with benches at 20 bus stops where a bench does not presently exist.

Advertising Content:

The terms of the contract will require the vendor to ensure that all advertising complies with the City of Kingston's Advertising Revenue Generation Policy approved by Council. A copy of the policy will be appended to and form part of the contract with the vendor.

With respect to advertising, Section 2.0(a) of the policy states that advertising shall meet the standards set out by the Canadian Advertising Standards Council, the freedoms of expression protected under *The Charter of Rights and Freedoms*; and the City of Kingston's Visual Identity Guidelines.

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Furthermore, Section 2.2 of the policy identifies restrictions on advertising as follows:

The City will not allow advertising, either directly or through third-party arrangements, that:

- a) implies the endorsement by the City of any one product or service over another.
- b) includes the requirement or opportunity for a City employee to receive any product, service or assets for personal gain or use.
- c) conveys a negative message that might be deemed prejudicial to any religious group or belief;
- d) promotes tobacco, alcohol and other addictive substances at venues geared primarily to children;
- e) presents a discriminatory, demeaning or derogatory portrayal of individuals or groups or contain anything which, in light of generally prevailing community standards, is likely to cause deep or widespread offence.
- f) has an impact on heritage property, or changes the physical quality and integrity of heritage properties, buildings, or streetscapes.
- g) impinges or encroaches on applicable heritage requirements.
- h) conflicts with accepted federal and provincial public health policies and practices, such as the Health Protection and Promotion Act of Ontario, the Canada Food Guide, Canadian Children's Food and Beverage Advertising Initiative.
- i) is located on municipally-owned property that is designated or zoned as Environmental Protection Area (EPA) unless:
 - a. The municipally-owned lands are an existing marina or golf course facility;
 - b. The advertising is temporary and is associated with an event that takes place on the municipally owned EPA lands and that has been permitted by the municipality, or
 - c. The advertising is attached to a municipally-owned vehicle or other mobile asset that may pass by or through EPA lands as part of its normal operation (i.e.: a Kingston Transit bus).

All political and other non-commercial expressive advertising will indicate that it is paid for by a party or candidate, so as to avoid any impression that the City is supporting any particular party, candidate or point of view.

The terms of the contract will require the vendor to remove any advertising that does not comply with this policy. Under the terms of the contract, the City will maintain the right to request that the vendor remove any advertising that the City may find objectionable immediately at the request of the Transit Manager.

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Bench Locations:

Under the terms of the contact, the City will work cooperatively with the vendor to locate benches in mutually agreeable locations. However, the City will maintain the right, at its sole discretion, to designate the location where benches will be installed. The contract also incorporates the vendor's agreement to adherence with the *Accessibility for Ontarians with Disabilities Act* and the City of Kingston's Facility Accessibility Design Standards.

EXISTING POLICY/BY LAW:

N/A

NOTICE PROVISIONS:

N/A

ACCESSIBILITY CONSIDERATIONS:

Ontarians with Disabilities Act was a component in the evaluation criteria applied to the submissions.

FINANCIAL CONSIDERATIONS:

The total revenue guaranteed to the City in the first year of the new agreement is \$21,990, representing an increase of approximately 20% year over year.

CONTACTS:

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OTHER CITY OF KINGSTON STAFF CONSULTED:

Janis Morrison, Purchasing Coordinator

EXHIBITS ATTACHED:

N/A